

The relisting of Hizballah's ESO

- 2.1 The current review is for the relisting of an organisation previously listed and fully reviewed. The Committee has previously asked that the information presented to justify each relisting contain a sufficient degree of currency in the evidence to warrant the use of its power of executive discretion. Therefore, the Committee has asked that the emphasis in the material be on the activities of the organisation in the period since the last listing.¹
- 2.2 To be specified as a terrorist organisation for the purposes of paragraph (b) of the definition of terrorist organisation in section 102.1 of the Criminal Code, the Attorney-General must be satisfied on reasonable grounds that:
- the organisation is directly or indirectly engaged in, preparing, planning, assisting in or fostering the doing of a terrorist act (whether or not the terrorist act has occurred or will occur); or
 - the organisation advocates the doing of a terrorist act (whether or not a terrorist act has occurred or will occur).²
- 2.3 The Director-General of ASIO previously advised the Committee of ASIO's evaluation process in selecting entities for proscription under the Criminal Code. Factors included:
- engagement in terrorism;

¹ Parliamentary Joint Committee on Intelligence and Security, *Review of the relisting of ASG, JuA, GIA and GSPC*, February 2007, p. 4.

² Paragraphs 102.1(2) (a) and (b) of the Criminal Code.

- ideology and links to other terrorist groups/networks;
 - links to Australia;
 - threat to Australian interests;
 - proscription by the UN or like-minded countries; and
 - engagement in peace/mediation processes.³
- 2.4 The Committee has used these criteria as the basis of its reviews over the last three years.
- 2.5 After the following brief discussion about where the ESO fits into the Hizballah organisation, an assessment of the relisting of the ESO will be made against the above criteria using the statement of reasons and other open sources.

Hizballah, the ESO and the IR

- 2.6 Hizballah is a Lebanese Shi'a political organisation with deep roots in Lebanese society. It is said to have widespread and loyal following amongst the Lebanese Shi'a who are the largest and poorest of the ethno-religious communities that make up Lebanese society.
- 2.7 Hizballah has grown and changed significantly since it began and 'has developed into both a legitimate Lebanese political party and an umbrella organisation for myriad social welfare institutions'⁴. Professor Hogg stated:
- [Hizballah] has a strong reputation for honesty and competence that for many observers, including its critics, distinguish it from many other political organisations and politicians in Lebanon. ... Hizballah is a pragmatic organisation that is firmly rooted in and strongly responsive to its national constituency.⁵
- 2.8 After the 2005 elections, Hizballah won fourteen seats in the 128-member Lebanese Parliament and it has two ministers in the government.

3 Confidential exhibit, ASIO, tabled 1 February 2005.

4 Deeb, L, July 2006, 'Hizballah: A Primer', www.merip.org/mero/mero073106.html

5 Associate Professor R. Hogg, Submission No.3.

- 2.9 In its statement of reasons, regarding the relationship between the ESO and Hizballah, ASIO told the Committee only that Hizballah's ESO 'constitutes a distinct terrorist wing within Hizballah's structure'⁶. Dr Patrick Emerton argues that the statement of reasons does not discuss:

The relationship (if any) between Hizballah's political activities and its military activities, and the relationship (if any) between the military activities of the ESO and those of the Lebanese army.⁷

- 2.10 Jane's Terrorism and Insurgency Centre (Jane's) says of the ESO:

[Hizballah] is also said to have a formidable international wing which has been blamed for significant terrorist attacks in the 1980s and early 1990s. The suspected leader of Hizballah's external wing, Imad Mughniyah, remains one of the world's most wanted men.⁸

- 2.11 Separate from the ESO, Hizballah's guerrilla wing in Lebanon is the Islamic Resistance (IR). IR is widely regarded as 'the most capable non-state armed group in the Middle East'.⁹ The Committee heard that 'there is a very clear hierarchy that separates the ESO from the IR'¹⁰.
- 2.12 In July 2006, the IR wing of Hizballah triggered a 34-day conflict with Israel¹¹ when it captured two Israeli soldiers. The performance of Hizballah's military wing during the conflict 'reinforced the conviction that it is one of the most formidable guerrilla organisations in the world ... prepared to take on the might of the Israeli army'¹².
- 2.13 The ESO, according to Jane's, 'is even more secretively run' than the IR, however, Jane's also notes that there is now some debate as to whether the ESO continues to exist, given Hizballah's renewed focus on internal Lebanese politics and defence and the lack in recent years of any terrorist attacks carried out overseas in the ESO's name. Other

6 *Statement of Reasons*, p 1.

7 Dr Patrick Emerton, Submission No.5.

8 <http://jtic.janes.com/JDIC/JTIC/> (accessible by subscription)

9 <http://jtic.janes.com/JDIC/JTIC/>

10 Transcript classified hearing, 18 June 2007, p. 3.

11 In its Middle East Report No.59 the International Crisis Group reported that in Lebanon 1,191 people (civilians, as well as armed fighters) were killed, several thousand were injured and up to one million were displaced as a result of the 2006 conflict. In Israel, 43 civilians were killed and tens of thousands were displaced.

12 <http://jtic.janes.com/JDIC/JTIC/>

commentators believe that the ESO is now no more than '... an umbrella name under which all the terrorist acts associated with [Hizballah] are lumped'¹³.

- 2.14 At the private hearing, the Committee asked ASIO what evidence it has that the ESO does, in fact, still exist. ASIO told the Committee that due to the clandestine nature of the ESO, its activities do not have a high profile and the ESO does not claim responsibility for terrorist attacks so it is difficult to confirm its existence. However, ASIO stated there is no reason to believe the organisation has relinquished its worldwide capability even though this is hard to prove, using open source material. ASIO stated:

... the ESO has a global reach which has been detected in countries around the world. The ESO has mounted international terrorist attacks and there is no reason to believe the organisation has relinquished this worldwide capability.¹⁴

Engagement in terrorism

- 2.15 Both the statement of reasons and Jane's attribute to the ESO responsibility for a series of suicide bomb attacks, aircraft hijackings and kidnappings of Western and Israeli/Jewish targets in Israel, Western Europe and South America, dating back to the early 1980s and into the early 1990s.
- 2.16 Jane's most recent information about specific ESO activity is the 2002 killing of five Israeli civilians and one Israeli Defence Force soldier in northern Israel.¹⁵
- 2.17 Despite lack of evidence of recent ESO activity, ASIO told the Committee that:

The ESO maintains its capacity to undertake significant terrorist attacks and, in February 2007, there were renewed reports that Mughniyeh [the ESO's suspected leader] was undertaking contingency planning for future attacks. It is assessed such planning includes identification and surveillance of prospective targets.¹⁶

13 Blanford, N, *Middle East Report Online: Hizballah in the Firing Line*, April 2003, at: www.merip.org/mero/mero042803.html

14 Submission No.4, Classified Secret.

15 <http://jtic.janes.com/JDIC/JTIC/>

16 *Statement of Reasons*, p 2.

Ideology and links to other terrorist groups/networks

Ideology

2.18 When Hizballah formed in 1982, its stated aim was the establishment of a radical Shi'a Islamic theocracy in Lebanon and the destruction of the state of Israel. While those goals remain core ideological pillars, since the end of the Lebanese civil war in October 1990:

... [Hizballah] has evolved into a more pragmatic socio-political movement. It has gained political legitimacy, with a credible holding of seats in Lebanon's parliament and a social service that far outperforms the state's cumbersome bureaucracy.¹⁷

2.19 The statement of reasons makes no mention of this shift in Hizballah's aims. It states only that 'ultimately, Hizballah aims to create a Shi'a Islamic state in Lebanon and remove all Western and Israeli influences in the region'¹⁸.

2.20 Hizballah's ideology has, according to various commentators, evolved since 1982 and the organisation now no longer actively seeks to impose an Islamic agenda on Lebanon:

Hizballah has genuinely adjusted to the sectarian fabric of Lebanon's society, gradually emphasizing *muqawama*¹⁹ instead of Islamism in its rhetoric and ideology. Hizballah has not abandoned its Islamist ideal, but to the extent that this goal complicates its ability to pursue *muqawama* or erodes its image, Hizballah is willing to do away with it.²⁰

2.21 The International Crisis Group states that Hizballah is now adopting 'a stance of relative passivity', and:

Pressured to undertake a strategic shift, it faces a decision whether its future is one among many Lebanese political parties or whether it will maintain the hybrid nature, half political party and half armed militia, part local organisation and part internationalist movement.²¹

17 <http://jtic.janes.com/IDIC/JTIC/>

18 *Statement of Reasons*, p 1.

19 *Muqawama* is resistance against a formidable occupier, i.e. Israel.

20 El-Hokayem, E. 'Hizballah and Syria: Outgrowing the Proxy Relationship', *The Washington Quarterly*, Spring 2007, The Center for Strategic and International Studies and the Massachusetts Institute of Technology, Volume 30:2, p 45.

21 <http://www.crisisgroup.org/>

Links to other terrorist groups/networks

2.22 In the statement of reasons the Attorney-General told the Committee that:

Hizballah, including the ESO, receives substantial support from Iran, including financial, training, weapons, political and military assistance. Syria is also a significant supporter, particularly in the provision of political and military assistance.²²

2.23 Jane's notes that during 2002 there were reports that Hizballah was co-ordinating with militant Palestinian groups in the confrontation with Israel. The groups were said to include Hamas, Islamic Jihad and Ahmed Jibril's Democratic Front for the Liberation of Palestine. However, Hizballah is reputedly wary of alliances with other guerrilla organisations and is mistrustful of outsiders, believing most Palestinian groups are riddled with informants.²³

Links to Australia

2.24 At the hearing the Committee sought further information on whether there are any Australian links with the ESO. Evidence was given on this matter.

2.25 The Committee took evidence as to whether financial support had been provided to the ESO from Australia. No Australians have been prosecuted for financial support to the ESO, in line with the existing proscription.

Threat to Australian interests

2.26 Nothing in the statement of reasons refers to ESO activity as having had any direct impact on any Australian citizen either domestically or overseas.

Proscription by the UN or like-minded countries

2.27 Hizballah's External Security Organisation has been listed as a terrorist organisation by the government of the United Kingdom. Hizballah (including the ESO) has been listed as a terrorist organisation by the governments of the United States and Canada.

22 *Statement of Reasons*, p 1.

23 <http://jtic.janes.com/JDIC/JTIC/>

Engagement in peace/mediation processes

- 2.28 The statement of reasons does not address this criterion. However, any discussion of participation in peace processes would presumably involve Hizballah in general, with the ESO participating as part of that organisation.
- 2.29 The International Crisis Group reports that United Nations' Resolution 1701 – which was accepted by Israel, Lebanon and Hizballah to bring the 2006 conflict to an end – 'brought quiet but no sustainable peace to the border region'²⁴.
- 2.30 Following 'post-war restrictions on the IR', Hizballah has been 'undergoing a major re-assessment of its options' and is 'resisting domestic and international calls to disarm'²⁵. Further, 'Hizballah's insistence on maintaining the IR has created serious political and sectarian rifts in Lebanon which show no sign of dissipating in the coming months and may indeed worsen'.²⁶

Conclusion

- 2.31 At the hearing, the Committee sought confirmation from ASIO that it is satisfied beyond doubt that the ESO is still a dangerous organisation. ASIO stated that:
- ... the ESO continues to prepare and plan for terrorist acts. It is the ESO that is responsible for planning and coordinating Hizballah's international terrorist related activities. ... the absence of terrorist operations against Western interests during the past decade reflects a calculated policy decision rather than any lack of capability.²⁷
- 2.32 As with some previous reviews of listings and relistings, the Committee will err on the side of caution with respect to this relisting and will not recommend to the Parliament that the regulation be disallowed.

24 International Crisis Group: 'Israel/Hizballah/Lebanon: Avoiding Renewed Conflict' Middle East Report No.59, 1 November 2006, P 1.

25 <http://jtic.janes.com/JDIC/JTIC/>

26 <http://jtic.janes.com/JDIC/JTIC/>

27 Transcript classified hearing, 18 June 2007.

Recommendation 1

The Committee does not recommend the disallowance of the regulation made to proscribe Hizballah's External Security Organisation.

The Hon David Jull, MP

Chairman

24 July 2007